

For Release: P.M.'s
Mon., May 23, 1960

From the Office of
Senator Henry M. Jackson
(Dem., Washington)

MOBILIZING TALENT FOR NATIONAL SECURITY

Address by Senator Henry M. Jackson

Chairman, Subcommittee on National
Policy Machinery of Senate Government
Operations Committee
Member, Senate Armed Services Committee
Chairman, Military Applications Subcommittee,
Joint Committee on Atomic Energy

For delivery

before the

SECOND NATIONAL TRAINING CONFERENCE

OF THE

NATIONAL DEFENSE EXECUTIVE RESERVE

May 23, 1960

I am delighted to be here today at the invitation of Governor Hoegh to participate in the Second National Training Conference of the National Defense Executive Reserve.

You have been recruited to man top government posts in the event of a national emergency. I commend you on your willingness to serve. However, if you do not think it presumptuous, I would suggest to you that we must concentrate first on our current mobilization requirements for the cold war. Naturally, it is vital that we be fully prepared to mobilize at a moment's notice for the demands of all-out, shooting war. But the main tenor of my remarks today is to express the hope that we can better mobilize our human resources to meet the demands of the cold war. I would also hope that you, who have volunteered to serve in case of national emergency, can share in this effort.

It is well to remember that the contest in which we are now engaged may drag on for decades without reaching the hot war stage. If only a hot war can be classified as a national emergency, then we simply do not understand the nature of the cold war we are in.

Let us not forget that the Communists think in terms of power. Superior power will, they believe, eventually prevail.

They do not merely plan to outstrip us militarily. They propose to have better factories than ours, better scientific laboratories, better schools, better houses, better farms, better cities -- and yes, a higher standard of living than ours.

By beating us in one field after another, the Communists plan to show to the world that their system represents the inevitable wave of the

-2-

future, and that there is no real alternative except to join forces with them.

And as long as the costs of a hot war seem too high, and other means are at hand, we can expect the Kremlin to pursue its goals without resort to overt aggression. The offensive will be pressed on all fronts -- economic, military, political and psychological -- and in all corners of the globe. If successful, loss of the cold war could be as final, and fatal, as defeat in an all-out war.

So if we are talking about mobilization, I think we have to be mobilized constantly to deal with the demands and challenges of the cold war. And if we expect to put our best foot forward, we must seek new ways to solve the critical problem of finding able citizens like you to serve their government now -- fulltime -- and in the years of total competition which lie ahead.

We need and must have the best scientists, the best engineers, the best lawyers, the best diplomats, the best planners and the best administrators this country has to offer. Above all, we need the finest leadership -- at the cabinet and sub-cabinet levels throughout government -- which we can produce. On the decisions made and actions taken by this small group of men at the heart of the governmental process hangs the success of our national security policies, and thus our survival.

These men must be experienced in the arts of government. They must be able to cope with the most complex economic, scientific, military, and political factors. They must be able to go to the core of a problem,

reach decisions and provide aggressive leadership. This calls for the best brains, the finest talent we can muster. Unless we can dedicate leadership of this calibre to government service, we cannot expect to succeed in the drawn-out contest with the Sino-Soviet bloc.

The Senate Subcommittee on National Policy Machinery -- of which I am chairman -- is charged with the task of determining whether our government is now properly organized to meet successfully the challenge of the cold war. The fundamental problem is: How can a free society organize to outthink, outplan and outperform totalitarianism -- and achieve security in freedom.

Our study is being conducted throughout on a scholarly, objective and nonpartisan basis. I intend to keep it that way. We face a national task far transcending either political party or any particular administration.

At our first public hearings in February, we invited four distinguished Americans -- Mr. Robert A. Lovett, Mr. Robert C. Sprague, Dr. James Phinney Baxter and Mr. Thomas J. Watson, Jr. -- to give us their estimate of the nature and scope of the problems confronting us in the decades of competition ahead.

In late April, seven eminent authorities gave us their counsel on the problems involved in gearing science and technology into the policy process.

Just ten days ago we invited seven noted experts from government, business and law to give us their views on the problem of attracting first-rate talent to man key posts at home and abroad.

From the outset of our study, we have recognized that human talent is our most precious asset; that good people often triumph over poor organization; that poor people will defeat the best organization.

In sum, the testimony we heard on this subject was neither optimistic nor complacent. All our witnesses recognized the urgent need to summon our best brains to Washington to formulate and direct the battle plans of the cold war. As Harold Boeschstein, the president of Owens-Corning Fiberglas, told us: "We must put our 'first team' in the field." He, and all our witnesses, recognized our failure to attain this goal in many respects. In general, they were somewhat pessimistic in their forecasts of our ability to field the first team unless we change some archaic laws and antiquated attitudes.

Based on our hearings and our studies of this problem, let me summarize some key points which affect our ability to attract first-rate talent:

1. Much of our recruiting has been on a haphazard basis. There is no orderly attempt to catalog our human resources and use them wisely. Nowhere in government do we have a central office to assist the departments and agencies in finding the right man for the right job. Marion Folsom of Eastman Kodak, a former member of President Eisenhower's cabinet, testified that: "One reason the service of so many businessmen is so short is that they were not properly placed in the first place. The present system," he said, "is too much hit or miss."

2. Many men appointed to high posts in the national security field have little acquaintance with the intricate problems they are called on to resolve. A former government official and member of the Gaither Committee, John Corson, now a management consultant who worked on recruiting for the Executive Branch when President Eisenhower first took office, told us that: "...few Presidential appointees bring to these jobs, in addition to substantial personal talents -- and surely I am not questioning their large abilities -- real experience in the complex problems this country faces in the field of national security and a knowledge of what it takes to operate effectively in Government in Washington." Let me add that this comment applies to all recent administrations.

3. The government has been plagued with high rates of turnover in key posts. Roger Jones, the chairman of the Civil Service Commission, told us that turnover had reached an "extremely dangerous" point. Mr. Corson pointed out that 23 men -- serving on the average less than two and a half years -- had served in eight key national security posts since 1953. Previous administrations have had a somewhat similar experience. Mr. Folsom quoted a recent study covering several hundred businessmen who had served in government and left: 48 per cent served only one year or less -- only 33 per cent served over two years.

Yet there is increasing evidence that it takes from one to two years for an able man, without prior relevant experience, to begin to pay dividends to the government in a new job. This is especially true in the national security field, where the complexities of decision-making have progressed geometrically in recent years.

4. The so-called conflict of interest laws -- passed many years ago to bar dual allegiance to governmental and private interests -- are out of step with the economic realities of the twentieth century. They also run counter to the government's needs for talent.

Crawford Greenewalt, the president of du Pont, told us: "I do not think that you can legislate probity under any circumstances. A man is honest or he is not honest. If he is going to be dishonest, the mere fact that you make him sell his stock and cancel out his pension rights will not stop him."

The truth is we cannot expect men to give up stock options, pension plans and other benefits to accept federal posts. These security-oriented arrangements now provide the basis for long-range economic planning for millions of Americans.

The conflict of interest laws hamper our efforts to utilize able men in more than one way. As the laws now stand, for example, a large law firm might have to give up its entire tax or antitrust practice just so one partner could serve as a government consultant. For this reason, able lawyers in New York could not accept service as consultants to the State Department, as members of the Fine Arts Commission or the National Advisory Council on Mental Health. These are typical cases in which outmoded statutes work to deprive the government of talents it might otherwise have.

5. The so-called dual compensation laws constitute another case where ancient statutes hamstringing our search for special skills and

-7-

experience. Let me illustrate with the example of an able military officer, highly trained at government expense over a period of twenty years. He has technical knowledge and ample administrative, diplomatic and general leadership experience. Under our present system, he retires in his late forties or early fifties. There are many posts throughout government where he could continue to make an important contribution. But the dual compensation law says he cannot draw both his pension -- which he has already earned -- and a government salary where the combined amount exceeds \$10,000. So he will take his skills and experience outside the government to work for the same industries and research firms whose services the government eagerly seeks. "Why," the chairman of the Civil Service Commission asked us, "should we deny ourselves of their services and deny them another career...when they still have twenty years of useful life ahead of them? I think it makes no sense at all."

6. We have encountered extreme difficulties in recruiting able young men in their late thirties or early forties, yet this is the very group which can bring to Washington the drive and imagination we need. The men in this group may be at a critical point on the ladder of success, on the verge of the vice-presidency or the partnership they have long sought. They also have heavy financial responsibilities with children to educate and homes to pay for. The prospect of trading their pay checks and fringe benefits for the insecurity and inadequate compensation of government service is not a happy one. Even more significant is the fear of losing vital promotional opportunities during their absence.

With this group, as with others, we have failed to convince them of the genuine needs for their talents, of the demands of the cold war, of the challenge and opportunities of government service. If they are good enough for us to want them, they probably hold important and challenging positions in private life. They are not easily convinced that they are wanted and can make a real contribution in a top government post. Therefore, as Mr. Boeschstein put it: "We find ourselves time and again looking to older and retired men, whose experience is adequate but whose vigor and imagination are not always up to the demands of a tough federal job."

In discussing these problems, we cannot minimize the enormous task faced by our Presidents in organizing our national security efforts.

Picture, for a moment, a company with some three million employees strung around the globe. Picture a company with an annual budget of more than \$50 billion. Picture a resourceful competitor whose every move is uncertain. Picture countless decisions -- technical, intricate decisions -- which must be made without full knowledge of the facts.

Picture, not four or five intra-company committees, but thousands. Think not of trying to recruit three or four key executives, but literally hundreds. Imagine, not trying to weave two or three corporate divisions or plants into an effective team, but scores of departments and agencies.

This may give you some idea of the kind of job the President has. But just imagine how much harder it must be when his chief lieutenants

come and go. When they approach their jobs with little knowledge of the intricate problems involved, When he is foreclosed by law from tapping large reservoirs of talent to help him. When he is faced on all sides by a state of mind which regards government service as a chore and burden, not a duty and a challenge.

We are not dealing here with some academic exercise in public administration. As one of our first witnesses put it: "The stakes which are at issue in the effective operation of government today are no longer stakes of convenience. They are stakes of survival,"

So I suggest that Congress and the Executive Branch must recognize the paramount needs of government for the finest talent we can find.

Congress, on its part, must act to reform or repeal the archaic conflict of interest and dual compensation laws.

It must act, in conjunction with the Executive, to establish an orderly procedure to catalog and utilize our human resources.

It must deal in an honest and realistic way with the problem of low salaries.

It must serve notice that it will be reluctant to confirm inexperienced appointees who do not indicate a desire to remain in office long enough to give the kind of service the country has a right to expect.

The Executive Branch, on its part, must provide the strong and dynamic leadership which will, in itself, help to attract men of talent. It must create a climate of challenge and opportunity. It must create a clear public understanding of the awesome nature of this contest we have not

- 10 -

sought, but which we cannot afford to lose.

Beyond this, both Congress and the Executive Branch must strive to develop in this country a sense of duty and of obligation to serve -- in the finest traditions of our founding fathers -- which far transcends personal considerations.

In closing, let me simply say this: In time of an all-out, dramatic hot war, we have brought into government service every skill and talent we sought -- regardless of existing attitudes and archaic, statutory impediments. In a cold war, the outcome of which can be just as final and conclusive, we must overcome these impediments by whatever action is called for, so we may call on talents which match our needs.

Having heard preliminary testimony from substantial and thoughtful citizens, I feel sure that the Subcommittee will recommend sweeping changes to accomplish this objective.

When our work is completed, I hope it will set the stage for a new and better climate of understanding in which outstanding men can enter public service, remain as long as required, and leave in the knowledge they have served well -- without being pilloried and harassed by those few who would rather find a conflict of interest than try to serve the broad public interest, which is nothing more or less than our national survival.

STAT


STAT

TRANSMITTAL SLIP		DATE
TO	<div style="border: 1px solid black; width: 150px; height: 30px;"></div>	1 Jan 60
ROOM		MMPD
REMARKS:		
<p>Please return to Mr. John Warner after you have read</p>		
FROM:	<div style="border: 1px solid black; width: 150px; height: 30px;"></div>	
ROOM NO.		EXTENSION

FORM NO. 241
1 FEB 55

REPLACES FORM 36-8
WHICH MAY BE USED.

☆ GPO : 1957 - O - 439445

TRANSMITTAL SLIP		DATE
TO: <i>Mr. John Warner</i>		<i>2 June 1960</i>
ROOM NO.	BUILDING	
<i>220</i>	<i>East Bldg.</i>	
REMARKS:		
<i>3 of the Agency's 22 Ex Reservists attended the conference this year.</i>		
		
FROM		
ROOM NO.	BUILDING	
<i>296</i>	<i>Currie</i>	
FORM NO. 241 1 FEB 55		
REPLACES FORM 36-8 WHICH MAY BE USED.		

(47)

STAT

STAT

TRANSMITTAL SLIP		DATE
TO:		25 May 60
ROOM NO.		BUILDING
2611	Curie	
REMARKS:		
For Info + please return		
FROM:		
ROOM NO.		BUILDING
220	East	
FORM NO. 241 1 FEB 55		
REPLACES FORM 36-8 WHICH MAY BE USED.		

STAT